



# **The Scottsdale/Paradise Valley Tourism Study Part I: Lodging Statistics**

**March 2006  
Economic Vitality Department**

## Part I: Lodging Statistics

**March 2006**

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# STUDY OVERVIEW

## Part I: Lodging Statistics

Part I of “The Scottsdale/Paradise Valley Tourism Study” analyzes trends relating to the lodging industry in the Scottsdale/Paradise Valley tourist market area. The study looks specifically at trends in local transient occupancy tax (bed tax) collection, room inventory, average room rates, occupancy rates, and other factors relating to lodging trends. The Lodging Statistics study is designed to provide necessary data relating to the lodging industry for developers, local hoteliers, tourism marketing representatives, financing agencies, and others with an interest in hospitality industry trends.

“The Scottsdale/Paradise Valley Tourism Study, Part I: Lodging Statistics” report is prepared annually, in the Spring, and is available at no charge from the City of Scottsdale Economic Vitality Department, or at [www.scottsdaleaz.gov/economics/reports](http://www.scottsdaleaz.gov/economics/reports).

The Economic Vitality Department welcomes your input and suggestions for changes and additions in future issues of this publication, and is pleased to grant permission to use excerpts from this material when credit is given to the City of Scottsdale.

## Part II: Visitor Statistics

Part II of the Tourism Study deals with trends relating to tourists themselves. It examines the total number of tourists, their spending patterns and socio-demographic profiles, and the overall economic impact of the tourism industry in the study area. The Visitor Statistics study is designed to provide data that gives a profile of the type of tourist that comes to the area, and to evaluate the economic impact tourism has on the community.

“The Scottsdale/Paradise Valley Tourism Study, Part II: Visitor Statistics” is prepared once a year, typically in the Summer, and is available at no charge from the City of Scottsdale Economic Vitality Department, or at [www.scottsdaleaz.gov/economics/reports](http://www.scottsdaleaz.gov/economics/reports).

# THE SCOTTSDALE/PARADISE VALLEY TOURISM STUDY

## Introduction

The economy of the Scottsdale/Paradise Valley area is integrally linked to the tourism market. Yet, until the early 1990's, limited information existed on the impact of tourism on our economy. The lack of information made it difficult to predict the impacts of new developments, track changes in the market, or understand the best way to promote the market.

The purpose of "The Scottsdale/Paradise Valley Tourism Study: Parts I and II" is to provide market information for the tourism, retail, and hospitality operations within the study area; and provides information to elected officials, city management, the general public, and private sector entities regarding the tourism and hospitality markets.

The City of Scottsdale Economic Vitality Department compiled this report in cooperation with the Scottsdale Convention and Visitors Bureau.

## Study Limitations

Much of the information contained in the Lodging Statistics study is based on tax collection figures, and will therefore have certain limitations. Bed tax collection figures are used because they are consistently tracked and readily available; however, it is important to remember these three points:

- ◇ The tax receipt figures shown for each month actually reflect sales tax and bed tax collections during the previous month. There is a lag of one month between sales and collections.
- ◇ The data in this report (with the exception of room stock figures) is based primarily on properties located within the City of Scottsdale.
- ◇ With the exception of room stock data, no information is available for properties that lie just outside the corporate limits of the City of Scottsdale and the Town of Paradise Valley. It can be assumed the data for these properties would be very similar to like properties in the market area.

The economy of the Scottsdale/  
Paradise Valley area is integrally  
linked to the tourism market.

## EXECUTIVE SUMMARY

- ◇ Scottsdale's bed tax revenues totaled \$8,246,226 in 2005, increased 10.8 percent from 2004.
- ◇ Annual occupancy for the Scottsdale/Paradise Valley market area in 2005 was 70.4 percent, increased from 66.6 percent in 2004.
- ◇ The market area has absorbed over 5,400 rooms since 1996.
- ◇ The percentage of room revenues to hotel revenues in 2005 was 60.9 percent.
- ◇ In the past 10 years, the bed tax has generated over \$70 million in revenue for the City of Scottsdale.
- ◇ The average room rate in 2005 was \$145.31, increased from the 2004 average of \$134.20 per room.
- ◇ Hotel/motel sales tax revenues for Scottsdale in 2005 rose 5 percent from last year, totaling \$6,577,274 in collections.

## THE SCOTTSDALE/PARADISE VALLEY MARKET AREA

The market area map (pg. 9) shows the boundaries of the Scottsdale/Paradise Valley market area. This area contains all of the City of Scottsdale and the Town of Paradise Valley; portions of the cities of Phoenix and Tempe; and parts of the towns of Carefree, Cave Creek, and Fountain Hills.

*Table 1* (pg. 10) lists the hotels in the Scottsdale/Paradise Valley market area.

The Scottsdale/Paradise Valley market area has more than 70 resorts and hotels, with nearly 15,000 rooms.





# Map 1 MARKET AREA

- - - City Limits
- - - Market Area

JOY RANCH  
STAGECOACH PASS  
CAREFREE HWY.  
DOVE VALLEY  
LONE MOUNTAIN  
DIXILETA  
DYNAMITE  
JOMAX  
HAPPY VALLEY  
PINNACLE PEAK  
DEER VALLEY  
BEARDSLEY  
OUTER LOOP  
UNION HILLS  
BELL/FRANK LLOYD  
WRIGHT BLVD.  
GREENWAY  
THUNDERBIRD  
CACTUS  
SHEA  
DOUBLE TREE  
McCORMICK PKWY.  
INDIAN BEND  
LINCOLN  
McDONALD  
CHAPARRAL  
CAMELBACK  
INDIAN SCHOOL  
THOMAS  
McDOWELL  
McKELLIPS

Town of  
Carefree

City of  
Scottsdale

Town of  
Fountain Hills

Town of  
Paradise Valley

56th ST.

64th ST.

SCOTTSDALE

HAYDEN

PIMA

Outer Loop - Pima Freeway 101

104th ST.

110th ST.

120th ST.

124th ST.

130th ST.

136th ST.

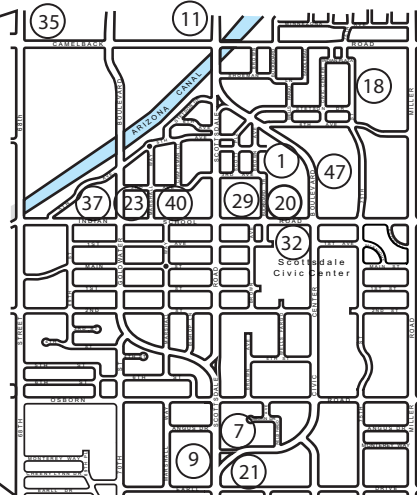


Table 1  
**Existing Scottsdale/Paradise Valley Market Area Properties**  
 (Transient Use Properties With 25 or More Rooms)

Key	Property Name	Address	Web Address	# of Rooms
<b>Scottsdale Properties</b>				
1	Amerisuites Hotel	7300 E. 3rd Ave.	AmeriSuites.com	128
2	Best Western Scottsdale Airpark	7515 E. Butherus Dr.	Scottsdalebestwestern.com	120
3	Best Western Papago Inn	7017 E. McDowell Rd.	BestWestern.com	56
4	The Boulders	34631 N. Tom Darlington	Wyndham.com	160
5	Caleo Resort & Spa	4925 N. Scottsdale Rd.	Caleoresort.com	210
6	Chaparral Suites	5001 N. Scottsdale Rd.	Chaparralsuites.com	311
7	Comfort Inn	7350 E. Gold Dust Ave.	Choicehotels.com	123
8	Comfort Suites	3275 N. Drinkwater Blvd.	Choicehotels.com	60
9	Country Inn & Suites	10801 N. 89th Pl.	Choicehotels.com	163
10	Courtyard (Downtown)	3311 N. Scottsdale Rd.	Marriott.com	180
11	Courtyard Mayo Clinic	13444 E. Shea Blvd.	Marriott.com	124
12	Days Inn at Fashion Square	4710 N. Scottsdale Rd.	Daysinn.com	167
13	Extended Stay America	15501 N. Scottsdale Rd.	Extendedstay.com	120
14	Extended Stay Deluxe (Sierra Stes)	10660 N. 69th St.	Sierrasuites.com	105
15	Fairfield Inn (Central)	5101 N. Scottsdale Rd.	Marriott.com	218
16	Fairmont Princess Resort	7575 E. Princess Dr.	Fairmont.com	651
17	Four Seasons Resort	10600 E. Crescent Moon	Fourseasons.com/scottsdale	210
18	Gainey Suites	7300 E. Gainey Suites Dr.	Gaineysuiteshotel.com	162
19	Hampton Inn (Old Town)	4415 N. Civic Center Plaza	Hamptoninn.com	126
20	Hampton Inn Scottsdale Gainey	10101 N. Scottsdale Rd.	Hamptoninn.com	130
21	Hilton Garden Inn	7324 E. Indian School Rd.	Hilton.com	200
22	Hilton Garden Inn (Perimeter Ctr)	8550 E. Princess Dr	Hilton.com	120
23	Holiday Inn Express	3131 N. Scottsdale Rd.	Holidayinnarizona.com	171
24	Homestead Studio Suites	3560 N. Marshall Way	Homesteadvillage.com	121
25	Homewood Suites	9880 N. Scottsdale Rd.	Homewoodsuites.com	114
26	Hospitality Suites	409 N. Scottsdale Rd.	Hospitalitysuites.com	210
27	Hotel Waterfront Ivy	7445 E. Chaparral Rd.	Hotelwaterfrontivy.com	105
28	Hyatt Regency	7500 E. Doubletree Ranch	Hyatt.com	494
29	The Inn at Pima	7330 N. Pima Rd.	zmchotels.com/az/pima.html	117
30	James Hotel	7353 E. Indian School Rd.	Jameshotels.com	194
31	La Quinta	8888 E. Shea Blvd.	LaQuinta.com	140
32	Marriott McDowell Mountain	16770 N. Perimeter Dr.	Marriott.com	270
33	Marriott Suites	7325 E. 3rd Ave.	Marriott.com	251
34	Marriott TownePlace	10740 N. 90th St.	Marriott.com	131
35	Millennium McCormick Ranch	7401 N. Scottsdale Rd.	Millennium-hotels.com	125
36	Motel 6	6848 E. Camelback Rd.	Motel6.com	122
37	Ramada Limited	6935 E. 5th Ave.	Ramadascottsdale.com	92
38	Residence Inn	6040 N. Scottsdale Rd.	Marriott.com	122
39	Residence Inn (North Scottsdale)	17011 N. Scottsdale Rd.	Marriott.com	120
40	Rodeway Inn Scottsdale	7110 E. Indian School Rd.	Choicehotels.com	65
41	Royal Inn Motel	2934 N. Scottsdale Rd	(800) 599-5885	40
42	Scottsdale Conference Resort	7700 E. McCormick Pkwy.	Scottsdconf.com	326
43	Scottsdale Hilton Resort & Villa	6333 N. Scottsdale Rd.	Hilton.com	185
44	Scottsdale Links (Five Star Leisure)	16858 N. Perimeter Dr.	Epicresorts.com/Scottsdale.cfm	228
45	Scottsdale Park Suites	1251 N. Miller Rd.	Scottsdaleparkapts.com	94
46	Scottsdale Resort Suites	7677 E. Princess Blvd.	Resortsuites.com	334
47	Scottsdale Villa Mirage	7887 E. Princess Blvd.	Villa-mirage.com	228

Table 1 (Continued)

Key	Property Name	Address	Web Address	# of Rooms
<b>Scottsdale Properties (Continued)</b>				
		-	-	-
48	Summerfield Suites	4245 N. Drinkwater Dr.	Wyndham.com	164
49	Three Palms Resort Oasis	7707 E. McDowell Rd.	3palmsresorttoasis.com	116
50	Valley Ho Hotel	6902 E. 1st St.	Hotelvalleyho.com	194
51	Wingate Inn & Suites	14255 N. 87th St	Scottsdalewingate.com	117
	<b>Total Scottsdale Properties</b>			<b>8,834</b>
<b>Paradise Valley Properties*</b>				
52	Doubletree Paradise Valley Resort	5401 N. Scottsdale Rd.	Doubletree.com	387
53	Hermosa Inn	5532 N. Palo Cristi Dr.	Hermosainn.com	35
54	Marriott Camelback Inn	5402 E. Lincoln Dr.	Marriott.com	453
55	Renaissance Scottsdale	6160 N. Scottsdale Rd.	Marriott.com	171
56	Sanctuary Resort on Camelback	5700 E. McDonald Dr.	Sanctuaryaz.com	98
57	Scottsdale Plaza Resort	7200 N. Scottsdale Rd.	Scottsdaleplaza.com	404
58	Smoke Tree Resort	7101 E. Lincoln Dr.	Smoketreeresort.com	25
	<b>Total Paradise Valley Properties</b>			<b>1,573</b>
<b>Other Market Properties (Carefree, Fountain Hills, Phoenix, Tempe)*</b>				
59	Carefree Resort & Villa	37220 N. Mule Train Rd.	Carefree-resort.com	363
60	Comfort Inn (Fountain Hills)	17105 E. Shea Blvd.	Choicehotels.com	48
61	CopperWynd (Fountain Hills)	13225 Eagle Mountain Dr.	Copperwynd.com	40
62	Courtyard Scottsdale (North)	17010 N. Scottsdale Rd.	Marriott.com	153
63	Desert Ridge Marriott (Phoenix)	5350 E. Marriott Dr.	Desertridgeresort.com	950
64	Executive Suites, Extended Stay	1635 N. Scottsdale Rd.	Extendedstay.com	140
65	Fairfield Inn (North)	13440 N. Scottsdale Rd.	Marriott.com	132
66	Hampton Inn/Suites (North)	16620 N. Scottsdale Rd.	Hamptoninn.com	123
67	Hampton Inn/Suites (Tempe)	1429 N. Scottsdale Rd.	Hamptoninn.com	160
68	Motel 6 (Tempe)	1612 N. Scottsdale Rd.	Motel6.com	101
69	Orange Tree Golf Resort (Phoenix)	10601 N. 56th St.	Orangetreegolfresort.com	160
70	Phoenician Resort (Phoenix)	6000 E. Camelback Rd.	Starwood.com	654
71	Royal Palms Inn (Phoenix)	5200 E. Camelback Rd.	Royalpalmsotel.com	117
72	Scottsdale Camelback Resort	6302 E. Camelback Rd.	Scottsdalecamelback.com	98
73	Sleep Inn (Phoenix)	16630 N. Scottsdale Rd.	Choicehotels.com	107
74	Southwest Inn at Eagle Mountain	9800 Summerhill Blvd.	Southwestinn.com	42
75	Springhill Suites (Phoenix)	17020 N. Scottsdale Rd.	Marriott.com	123
76	Westin Kierland Resort (Phoenix)	6902 E. Greenway Pkwy.	Kierlandresort.com	753
	<b>Total Other Market Properties</b>			<b>4,264</b>

Source: City of Scottsdale, Office of Economic Vitality

\*These properties do not pay bed taxes or hotel sales taxes to the City of Scottsdale, and not all are included in the market area data as defined by Smith Travel Research.

## TRENDS IN TAX COLLECTION

### Transient Occupancy Tax (Bed Tax) - City of Scottsdale

The City of Scottsdale has a three percent transient occupancy tax (bed tax). In the past ten years, the bed tax has generated over \$69 million in revenue for the City. A portion of this revenue goes to the Scottsdale Convention and Visitors Bureau (SCVB) for tourist promotion activities. The City administers the remaining revenue dollars for tourism development activities and tourism research.

*Table 2* (pg. 13) presents monthly and yearly breakdowns of the bed tax receipts for Scottsdale from calendar year 1996 through 2005. During 2005, the City collected \$8,246,226 in bed taxes, a 10.8 percent increase from 2004 collections. Several factors contributed to this increase, including improved economic conditions, increased leisure travel, absorption of new hotel rooms into the market, and resumption of business travel.

In the past ten years, the bed tax has generated over \$70 million in revenue for the City of Scottsdale.

### Sales Tax—City of Scottsdale

In addition to bed tax, the City of Scottsdale tracks the collections of the business privilege tax (1.65 percent) on all sales transactions in hotels. Maintaining a separate listing of all sales taxes received from hotels and motels provides a mechanism to track visitor purchasing amenity trends.

Sales tax (privilege tax) revenues generated by hotel properties in 2005 were \$6,577,274, a 5 percent increase from 2004. More than 35 percent of the revenues in this category are recognized in peak season (mid-January to mid-April). Since 1996, the hotel/motel sales tax has generated over \$55 million in revenues for the City of Scottsdale.

*Table 3* (pg. 14) enumerates sales tax collected from Scottsdale hotels and motels since 1996.

Table 2  
**Monthly Bed Tax Receipts in Dollars**  
City of Scottsdale  
3% Tax Rate

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
<b>1996</b>	\$363,541	\$658,877	\$784,038	\$927,067	\$667,947	\$409,284	\$289,456	\$237,685	\$231,969	\$342,306	\$523,636	\$551,012	\$5,986,818
<b>1997</b>	\$477,068	\$696,930	\$795,223	\$1,090,620	\$712,372	\$519,519	\$315,036	\$191,495	\$235,845	\$391,652	\$536,144	\$661,539	\$6,623,443
<b>1998</b>	\$435,611	\$852,280	\$915,586	\$1,012,092	\$791,591	\$538,444	\$334,166	\$245,584	\$231,896	\$352,568	\$574,635	\$593,899	\$6,878,352
<b>1999</b>	\$428,761	\$762,079	\$898,346	\$1,033,382	\$692,130	\$513,997	\$281,734	\$266,141	\$209,783	\$380,434	\$601,511	\$558,127	\$6,626,425
<b>2000</b>	\$478,758	\$717,019	\$1,093,554	\$1,070,959	\$939,985	\$575,479	\$417,742	\$233,036	\$270,883	\$428,828	\$686,234	\$707,216	\$7,619,693
<b>2001</b>	\$565,432	\$850,937	\$1,007,629	\$1,198,098	\$820,996	\$596,238	\$372,650	\$235,168	\$280,990	\$277,310	\$487,649	\$583,399	\$7,276,496
<b>2002</b>	\$449,985	\$775,851	\$862,460	\$1,100,792	\$787,004	\$535,965	\$312,734	\$239,386	\$279,403	\$344,487	\$587,069	\$571,710	\$6,846,846
<b>2003</b>	\$471,792	\$746,800	\$897,381	\$1,003,655	\$737,465	\$504,220	\$304,820	\$243,645	\$264,186	\$382,989	\$602,385	\$553,865	\$6,713,203
<b>2004</b>	\$505,451	\$768,241	\$975,676	\$1,154,875	\$853,472	\$557,396	\$364,844	\$281,213	\$288,503	\$423,155	\$638,982	\$627,781	\$7,439,589
<b>2005</b>	\$537,716	\$836,835	\$1,028,404	\$1,225,394	\$1,005,729	\$645,984	\$399,428	\$331,683	\$361,974	\$506,242	\$684,021	\$682,816	\$8,246,226
% of 2005 Total	6.5%	10.1%	12.5%	14.9%	12.2%	7.8%	4.8%	4.0%	4.4%	6.1%	8.3%	8.3%	93%
Avg % of 10yr Total	6.7%	10.9%	13.2%	15.4%	11.4%	7.7%	4.8%	3.6%	3.8%	5.5%	8.4%	8.7%	100%

**Source:** City of Scottsdale, Tax Audit Department

**Note:** Bed tax is normally received by the City the month after it is collected by the property. Therefore, the figures above generally reflect activity in the previous month, and do not account for late payments.

Table 3

**Monthly Sales Tax Receipts**

City of Scottsdale

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total
<b>1996</b>	\$334,232	\$479,619	\$528,376	\$653,322	\$463,664	\$377,825	\$234,918	\$180,997	\$184,509	\$323,224	\$423,176	\$470,188	\$4,654,050
<b>1997</b>	\$349,487	\$513,860	\$558,121	\$745,646	\$547,451	\$413,388	\$281,368	\$172,797	\$218,433	\$324,910	\$414,266	\$548,234	\$5,087,961
<b>1998</b>	\$360,209	\$616,312	\$612,897	\$700,661	\$580,163	\$461,490	\$330,831	\$245,346	\$209,904	\$318,229	\$452,718	\$504,113	\$5,392,873
<b>1999</b>	\$348,608	\$554,700	\$611,754	\$702,254	\$516,702	\$450,272	\$270,852	\$229,003	\$194,780	\$327,698	\$487,502	\$464,592	\$5,158,717
<b>2000</b>	\$418,966	\$538,775	\$778,685	\$748,876	\$716,202	\$509,017	\$412,814	\$227,697	\$248,210	\$414,869	\$519,498	\$561,904	\$6,095,513
<b>2001</b>	\$488,363	\$607,198	\$763,428	\$848,912	\$636,231	\$515,856	\$332,858	\$207,730	\$241,810	\$212,854	\$391,641	\$464,938	\$5,711,819
<b>2002</b>	\$466,068	\$575,936	\$614,064	\$792,876	\$620,555	\$472,598	\$314,162	\$199,436	\$221,330	\$309,471	\$472,485	\$476,151	\$5,535,132
<b>2003</b>	\$401,062	\$553,865	\$648,648	\$714,211	\$582,669	\$457,299	\$278,415	\$209,706	\$229,814	\$341,882	\$489,418	\$466,400	\$5,373,389
<b>2004*</b>	\$418,115	\$590,904	\$733,957	\$794,481	\$663,302	\$505,342	\$324,116	\$262,045	\$296,537	\$412,645	\$634,702	\$616,020	\$6,252,166
<b>2005</b>	\$417,615	\$629,760	\$810,147	\$844,517	\$714,973	\$518,747	\$433,610	\$337,112	\$347,981	\$505,882	\$682,998	\$751,547	\$6,577,274
% of 2005 Total	6.3%	9.6%	12.3%	12.8%	10.9%	7.9%	6.6%	5.1%	5.3%	7.7%	10.4%	11.4%	100%
Avg % of 10yr Total	7.2%	10.1%	11.9%	13.5%	10.8%	8.4%	5.8%	4.1%	4.3%	6.3%	8.9%	9.5%	101%

**Source:** City of Scottsdale, Tax Audit Department**Note:** Sales tax is normally reported to the City the month after receipt. The figures listed above generally reflect activity from the *previous month*, and do not account for late payments.

\*The sales tax rate increased from 1.4% to 1.65% in July of 2004.

## TRENDS IN ROOM INVENTORY

### Room Supply

*Table 4* reflects hotel room supply inventory for the study market area since 1996. The market area room inventory expanded every year from 1996 to 2003. Market area room inventory declined in 2004 and 2005 for the first time since 1996. However, the market overall has grown by more than 60 percent—over 5,400 rooms—during the past ten years

*Table 5* shows the room inventory of the City of Scottsdale by category.

Table 4  
**Hotel Inventory (a)**  
Total Market Area  
(Properties with 25 or more rooms)

Inventory as of January 1	City of Scottsdale	Town of Paradise Valley	Other Market Area Hotels	Total
1996	5,758	2,144	1,295	9,197
1997	6,778	2,144	1,605	10,527
1998	7,188	2,173	1,700	11,061
1999	8,313	2,174	2,268	12,755
2000	8,731	2,174	2,245	13,150
2001	8,732	2,172	2,344	13,248
2002	8,769	2,174	4,149	15,092
2003	9,035	2,172	4,277	15,484
2004	8,848	1,835	4,166	14,849
2005	8,932	1,598	4,141	14,671

**Source:** Smith Travel Research (STR); City of Scottsdale, Economic Vitality Department

(a) Not all properties included in the market area are included in the STR market area and, therefore, are not included in the calculations for Table 7 or Chart 1.

Table 5  
**Rooms by Category\***  
 City of Scottsdale  
 2005

Category	Number of Rooms	% of Market
Resort	3,387	38%
Full Service	1,905	21%
Limited Service	3,640	41%

**Source:** Smith Travel Research, Economic Vitality Department

\*Only Scottsdale bed-tax paying properties counted.



## New Market Area Hotels

The JW Marriott Desert Ridge and the Westin Kierland Resort, both located in Phoenix (adjacent to the Phoenix/Scottsdale border), opened in late 2002. The Sheraton Wild Horse Pass, located on the Gila River Indian Reservation, also opened in 2002. With 950, 753, and 500 rooms, respectively, these hotels have provided solid competition with Scottsdale's hotels/resorts.

A Hilton Garden Inn opened in the Spring at the Perimeter Center (120 rooms, 2005) and the renovated Valley Ho Hotel re-opened downtown in December (194 rooms, 2005). These openings offset the loss of the Radisson Resort (318 rooms, May 2005).

## Property Inventory

Table 6 (pg. 17) lists the existing hotel properties within the Scottsdale/Paradise Valley market area. The properties are classified by facility type, and also provide room and general manager information.

*Note: Prior to the 2004 Lodging Statistics Report, hotels were classified as Luxury, Moderate, and Limited Service. The hotels have been reclassified, based on Smith Travel Research information, as Resort, Full Service, and Limited Service, to better describe hotel facilities.*

The market area has absorbed over 5,400 rooms since 1996.

Table 6  
**Resort Hotel Properties**  
 Scottsdale/Paradise Valley Market Area

<b>Property Name</b>	<b>General Manager</b>	<b># of Rooms</b>	<b>Location</b>
The Boulders	Gary Gutierrez	160	Scottsdale
Caleo Resort & Spa	Jim Hollister	210	Scottsdale
Carefree Resort & Villa	Catherine Moseley	363	Carefree
Desert Ridge Marriott	Steve Hart	950	Phoenix
Doubletree Paradise Valley Resort	Doug Cole	387	Paradise Valley
Fairmont Princess Resort	Kiaran MacDonald	651	Scottsdale
Four Seasons Resort	Tom Kelly	210	Scottsdale
Hyatt Regency Scottsdale	David Phillips	494	Scottsdale
Marriott Camelback Inn	Wynn Tyner	453	Paradise Valley
Marriott McDowell Mountain	Janice Milhan	270	Scottsdale
Millennium McCormick Ranch	David McKee	125	Scottsdale
Orange Tree Golf Resort	Johnathan Rarig	160	Phoenix
Phoenician Resort	Mark Vinciguerra	654	Phoenix
Renaissance Scottsdale Resort	Richard Bibee	171	Paradise Valley
Royal Palms Inn	Greg Miller	117	Phoenix
Sanctuary Resort on Camelback	Mike Surguine	98	Paradise Valley
Scottsdale Conference Resort	Brenda Weskamp	326	Scottsdale
Scottsdale Hilton Resort & Villa	Richard Behr	185	Scottsdale
Scottsdale Plaza Resort	Dick Legore	404	Paradise Valley
Scottsdale Resort Suites	Rick Hamilton	334	Scottsdale
Scottsdale Villa Mirage	Terry Gunn	228	Scottsdale
Valley Ho Hotel	Andrew Chipindale	194	Scottsdale
The Westin Kierland Resort	J. Bruce Lange	753	Phoenix

**Source:** City of Scottsdale, Economic Vitality Department

Table 6 (Continued)  
**Full Service Hotel Properties**  
 Scottsdale/Paradise Valley Market Area

<b>Property Name</b>	<b>General Manager</b>	<b># of Rooms</b>	<b>Location</b>
Best Western Papago Inn	Harley Stark	56	Scottsdale
Best Western Scottsdale Airpark	Tom Harman	120	Scottsdale
Chaparral Suites	Tom Silverman	311	Scottsdale
CopperWynd	Karen Carson	40	Fountain Hills
Scottsdale Links (Five Star Leisure)	Brent Mayfield	228	Scottsdale
Hermosa Inn	Michael Gildersleeve	35	Paradise Valley
Hilton Garden Inn	Sally Schaffer	200	Scottsdale
Hilton Garden Inn (Perimeter Center)	Jill Clark	120	Scottsdale
Hospitality Suites	Steve Jackson	210	Scottsdale
James Hotel	Steering Committee	194	Scottsdale
Marriott Suites	Ned Sickle	251	Scottsdale
Scottsdale Camelback Resort	Lori Entwistle	98	Scottsdale
Southwest Inn at Eagle Mountain	Heather Ledden	42	Fountain Hills
Wingate Inn & Suites	Joann Castle	117	Scottsdale

**Source:** City of Scottsdale, Economic Vitality Department

Table 6 (Continued)  
**Limited Service Hotel Properties**  
 Scottsdale/Paradise Valley Market Area

<b>Property Name</b>	<b>General Manager</b>	<b># of Rooms</b>	<b>Location</b>
AmeriSuites Hotel	Phil Snyder	128	Scottsdale
Comfort Inn	Becky Rhodes	123	Scottsdale
Comfort Inn (Fountain Hills)	Sam Trivedi	48	Fountain Hills
Comfort Suites	David Montero	60	Scottsdale
Country Inn & Suites	Mary Huerta	163	Scottsdale
Courtyard (Downtown)	Anne Cvelich	180	Scottsdale
Courtyard (Mayo Clinic)	Jean Schaffer	124	Scottsdale
Courtyard (Scottsdale North)	Mike Flemming	153	Phoenix
Days Inn at Fashion Square	Debbie Colefelt	167	Scottsdale
Executive Suites, Extended Stay	Sam Huang	140	Tempe
Extended Stay America	Krystal Rosales	120	Scottsdale
Extended Stay Deluxe (Sierra Suites)	Patti Davidson	105	Scottsdale
Fairfield Inn (Central)	Joe Leinacker	218	Scottsdale
Fairfield Inn (North)	Cynthia McCracken	132	Phoenix
Gainey Suites	Richard Newman	162	Scottsdale
Hampton Inn (Old Town)	Cindie Niedzielski	126	Scottsdale
Hampton Inn/Suites (North)	Michelle Thompson	123	Phoenix
Hampton Inn/Suites (Tempe)	L.J. Benjamin	160	Tempe
Hampton Inn Scottsdale Gainey	Mary Burgess	130	Scottsdale
Holiday Inn Express	Trisha Rhino	171	Scottsdale
Homestead Studio Suites	Carmen Walls	121	Scottsdale
Homewood Suites	Robin Sennern	114	Scottsdale
Hotel Waterfront Ivy	Katie Atkison	105	Scottsdale
The Inn at Pima	Diane Lyon	117	Scottsdale
La Quinta	Alan Ames	140	Scottsdale
Marriott TownPlace	Delia DeFreitas	131	Scottsdale
Motel 6	Brandon Powers	122	Scottsdale
Motel 6 (Tempe)	Nancy Taylor	101	Tempe
Ramada Limited	Albert Flores	92	Scottsdale
Residence Inn	Edie Mayer	122	Scottsdale
Residence Inn (North)	Terry Mayberry	120	Scottsdale
Rodeway Inn Scottsdale	Gretchen Geerdes	65	Scottsdale
Royal Inn Motel		40	Scottsdale
Scottsdale Park Suites	Jeff Scott	94	Scottsdale
Sleep Inn	Richard Baise	107	Phoenix
Smoke Tree Resort	Colin Williams	25	Paradise Valley
Springhill Suites	Mike Flemming	123	Phoenix
Summerfield Suites	David Murray	164	Scottsdale
Three Palms Resort Oasis	Randy McCamman	116	Scottsdale

**Source:** City of Scottsdale, Economic Vitality Department

## AVERAGE ROOM RATES AND OCCUPANCY

### Average Room Rates

The City of Scottsdale, Economic Vitality Department calculated average room rate estimations from 1992 to 1999. In 2000, the Economic Vitality Department began using data from Smith Travel Research (STR). This research provides an indication of trending and competitive performance the City did not have access to before.

*Table 7* (pg. 21) demonstrates the increase in average room rates within the Scottsdale/Paradise Valley market area since 1996. *Chart 1* (pg. 21) visually represents the same data. Smith Travel Research reports the average room rate for Scottsdale/Paradise Valley market area hotels in 2005 was \$145.31, up from \$134.20 in 2004.

### Average Occupancy

In addition to using STR data for average room rates, the Economic Vitality Department began using STR for occupancy information in 2000. According to STR, hotels in the Scottsdale/Paradise Valley market area experienced an occupancy rate of 70.4 percent in 2005, a 3.8 percent increase over 2004.

The high level of new room construction in the late nineties slowed in 2000, and the room supply remained stable until 2002, when hotel construction picked up again. Occupancy rates for the last ten years are shown on *Table 7* and illustrated in *Chart 1* (pg. 21).

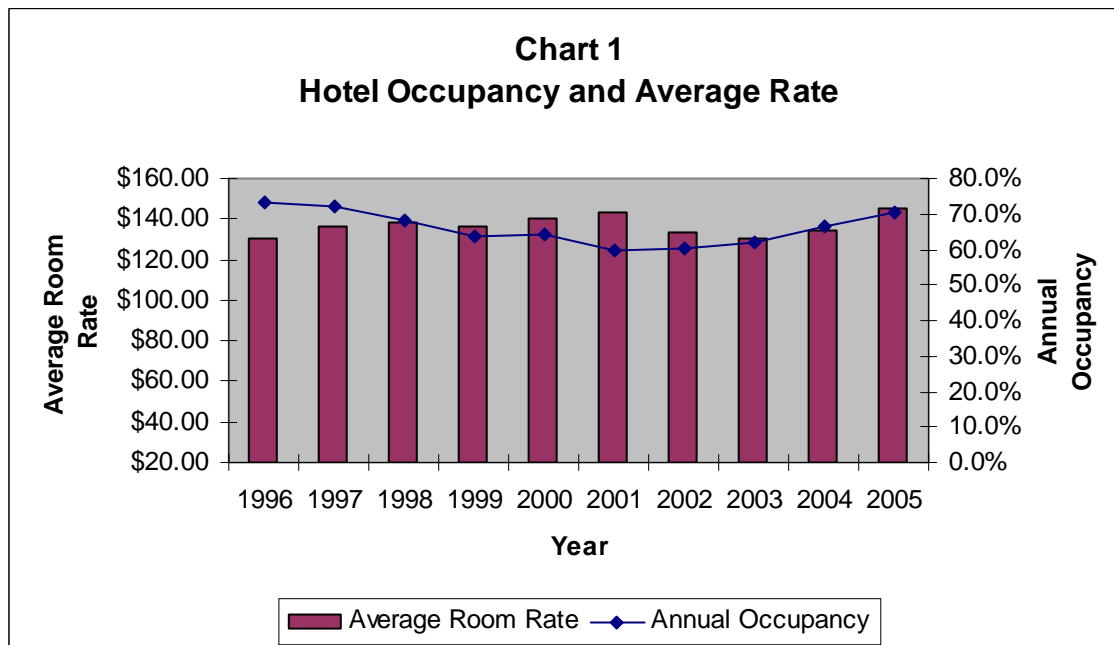
Hotels in the Scottsdale/Paradise Valley market area experienced an occupancy rate of 70.4 percent in 2005, a 3.8 percent increase over 2004.

Table 7  
**Occupancy & Average Rate**  
 Scottsdale/Paradise Valley Market Area

Year	Avg. Room Rate	x	Occupied Rooms	=	Gross Room Revenue		Room Supply	Annual Occupancy*
1996	\$130.60	x	2,336,327	=	\$278,503,133		3,180,771	73.5%
1997	\$136.25	x	2,406,994	=	\$302,279,593		3,336,939	72.1%
1998	\$138.40	x	2,497,942	=	\$269,445,800		3,673,854	67.9%
1999	\$136.56	x	2,535,392	=	\$306,350,177		4,003,300	63.5%
2000	\$140.53	x	2,759,671	=	\$342,743,333		4,310,615	64.3%
2001	\$143.34	x	2,533,188	=	\$319,827,899		4,254,075	59.7%
2002	\$133.63	x	2,517,138	=	\$336,361,361		4,175,407	60.3%
2003	\$130.84	x	2,539,213	=	\$332,223,026		4,081,474	62.2%
2004	\$134.20	x	2,755,729	=	\$369,814,507		4,138,776	66.6%
2005	\$145.31	x	2,726,848	=	\$396,238,283		3,872,943	70.4%

**Source:** Smith Travel Research

\*Occupied Rooms divided by Room Supply



## ROOM REVENUES VERSUS TOTAL HOTEL REVENUES

Over the past ten years, room revenues provided an average of 59.0 percent of total hotel revenues at Scottsdale properties. The recent trend shows the percentage of room revenue increasing and non-room revenue decreasing within the City of Scottsdale (see *Table 8, pg. 23*).

Since 1996, room revenues as a percentage of total hotel revenues have stayed in the 57-59 percent range, due primarily to the change in product mix, with more limited service properties added to the market. In 2005, this figure rose to 60.9 percent.

The percentage of room revenues as a percentage of total hotel revenues increased from 1996 to 2001. This percentage dropped in 2002, due, in part, to the events of September 11, 2001, but has continued to rise slowly since. The percentage of room revenues to hotel revenues in 2005 (60.9 percent), is almost back to pre-9/11 status.

*Table 8* (pg. 23) presents a comparison of total room revenues to total hotel revenues, thereby providing a means of assessing the relative importance of room revenues compared to all other revenue sources within the hotels (food, beverage, gift shop, and recreational sales).

*Table 9* (pg. 23) presents a comparison of total room revenues, total bed tax paid, and total privilege tax paid for Resort, Full Service, and Limited Service hotel/motels for calendar year 2005.

*Note: Tables 8 and 9 refer solely to properties within Scottsdale. These properties are listed in the Scottsdale section of Table 1.*

The percentage of room  
revenues to total hotel revenues  
in 2005 was 60.9 percent.

Table 8  
**Room Revenue as a Percentage of Total Hotel Revenue\***  
City of Scottsdale

Year	Total Room Revenue	Total Hotel Revenue	Room Revenue as a % of Hotel Revenue
1996	\$199,560,600	\$351,678,083	56.7%
1997	\$202,883,923	\$338,348,602	59.9%
1998	\$219,884,233	\$368,850,214	59.6%
1999	\$220,880,800	\$368,479,714	59.9%
2000	\$257,131,767	\$440,350,786	58.4%
2001	\$242,786,933	\$410,128,214	59.2%
2002	\$228,261,533	\$395,366,643	57.7%
2003	\$223,773,433	\$383,813,500	58.3%
2004	\$247,986,323	\$422,604,186	58.7%
2005	\$268,823,783	\$441,296,718	60.9%
Avg 96-05	\$231,197,333	\$392,091,666	59.0%

**Source:** City of Scottsdale, Financial Services Department, Tax Audit Division

\*Based on revenues generated at properties within the City of Scottsdale

Table 9  
**Hotel Revenue Streams\***  
City of Scottsdale  
for 12 months ending December 2005

Resort	% Total Revenues Paid	% Bed Tax Paid	% Privilege Tax Paid
	66%	61%	72%

Full Service	% Total Revenues Paid	% Bed Tax Paid	% Privilege Tax Paid
	14%	15%	13%

Limited Service	% Total Revenues Paid	% Bed Tax Paid	% Privilege Tax Paid
	20%	24%	16%

**Source:** City of Scottsdale, Financial Services Department, Tax Audit Division

\*Percentages may not add up to 100% due to rounding



## MARKET AREA GOLF AND DESTINATION EVENTS

Tourism in the City of Scottsdale is driven by several factors—destination resorts, special events, golf, desert environment, southwestern culture, and, of course, warm winters. This section provides an overview of the golf courses, spa facilities, and special events that take place in the market area throughout the year.

### Golf

*Table 10* (pg. 25) lists all the golf courses in the Scottsdale/Paradise Valley market area. *Map 2* (pg. 27) shows where many of those golf courses are located. Access to private courses is not necessarily available to visitors. Further, some golf courses are open only to guests of adjacent hotels.

### Destination Spas

In addition to golf, tourists are attracted to Scottsdale's destination spas, where they can enjoy rejuvenating and relaxing amenities unique to the Arizona desert. *Table 11* (pg. 28) lists some of the destination spas located at resorts in the Scottsdale/Paradise Valley market area.

### Special Events

Numerous special events take place in the Scottsdale/Paradise Valley market area throughout the year. The City of Scottsdale supports many of these events through the use of bed tax funds. Specifically funded are those events that meet the desired themes – western, golf, art, culinary, and participatory sports. Some of the major special events held in Scottsdale are listed at the end of this document (pg. 29).

Scottsdale is widely known for its spectacular golf courses, recreational amenities, climate, five-star resorts, numerous events and attractions, the Sonoran desert, world-class restaurants, and art galleries.

Table 10

**Golf Courses**  
Scottsdale/Paradise Valley Market Area

Key	Course Name	Location	Holes	Course Design	Course Type	Par	Architect
1	Ancala C.C.	Scottsdale	18	Desert	Private*	72	Dye Design
2	Boulders Golf Club	Carefree	36	Desert	Private/Resort	72	Jay Morrish
3	Camelback Golf Club	Scottsdale	36	Traditional	Semi-Private	72	Arthur Hills/Jack Snyder
4	Continental Golf Club	Scottsdale	18	Traditional	Public	60	Hardin/Nash
5	Coronado Golf Course	Scottsdale	9 (exec)	Traditional	Public	31	Coggins/Lambe
6	Cypress	Scottsdale	9 (exec)	Traditional	Public	30	Van Bocchini
7	DC Ranch C.C.	Scottsdale	18	Traditional	Private*	71	Lehman/Fought
8	Desert Canyon	Fountain Hills	18	Desert	Public	71	John Allen
9	Desert Highlands	Scottsdale	18	Desert	Private*	72	Jack Nicklaus
10	Desert Forest	Carefree	18	Desert	Private*	72	Robert Lawrence
11	Desert Mountain	Scottsdale	108	Desert	Private*	72	Jack Nicklaus
12	Dove Valley Ranch	Cave Creek	18	Desert	Public	72	Robert T. Jones Jr
13	The Estancia Club	Scottsdale	18	Desert	Private*	72	Tom Fazio
14	Eagle Mountain	Fountain Hills	18	Desert	Public	71	Scott Miller
15	Firerock C.C.	Fountain Hills	18	Desert	Private*	72	Gary Panks
16	Gainey Ranch	Scottsdale	27	Traditional	Private/Resort	72	Benz/Poellot
17	Golf Club of Scottsdale	Scottsdale	18	Desert	Private*	72	Jay Morrish
18	Grayhawk Golf Club	Scottsdale	36	Desert	Public	72	Graham/Panks/Fazio
19	Karsten (ASU)	Tempe	18	Scottish Links	Public	72	Pete Dye
20	Kierland Golf Club	Scottsdale	27	Desert	Public	36	Scott Miller
21	Legend Trail Golf Club	Scottsdale	18	Desert	Public	72	Rees Jones
22	McCormick Ranch	Scottsdale	36	Traditional	Public/Resort	72	Desmond Muirhead
23	Mirabel Club	Scottsdale	18	Links	Private*	72	Tom Fazio
24	Mountain Shadows	Paradise Valley	18	Traditional	Semi-Private	56	Jack Snyder
25	Orange Tree	Phoenix	18	Traditional	Public/Resort	72	Bulla/Hughes
26	Paradise Valley C.C.	Paradise Valley	18	Traditional	Private*	72	Lawrence Hughes
27	Pavilion Lakes Golf Club	Scottsdale	18	Traditional	Public	71	Bill Smith
28	The Phoenician	Scottsdale	27	Desert/Tropical	Public/Resort	35	Flint & Robinson
29	Pinnacle Peak C.C.	Scottsdale	18	Traditional	Private*	72	Dick Turner
30	Rancho Manana	Cave Creek	18	Desert	Semi-private	70	Bill Johnson

Table 10 (Continued)

Key	Course Name	Location	Holes	Course Design	Course Type	Par	Architect
31	Rio Salado	Tempe	9	Traditional	Public	33	Mike Morely
32	Sanctuary Golf Course	Scottsdale	18	Desert	Public	71	Randy Heckenkamper
33	Silverado Golf Club	Scottsdale	18	Traditional	Public	70	Gilmore/Graves
34	Silverleaf C.C.	Scottsdale	18	Desert	Private*	72	Tom Weiskopf
35	Starfire at Scottsdale C.C.	Scottsdale	27	Traditional	Semi-private	35	Arnold Palmer
36	Stonecreek Golf Club	Phoenix	18	Links	Semi-private	71	Arthur Hills
37	SunRidge Canyon Golf Club	Fountain Hills	18	Desert	Public	71	Keith Foster
38	Talking Stick Golf Club	Scottsdale	36	Traditional/Links	Public	70	Crenshaw/Moore
39	Tatum Ranch	Cave Creek	18	Desert	Private*	72	Robert Cupp
40	Terravita	Scottsdale	18	Desert	Semi-private	72	Casper/Nash
41	Tournament Players Club (TPC)	Scottsdale	36	Stadium/ Desert	Public	71	Weiskopf/Morrish
42	Troon C.C.	Scottsdale	18	Desert	Private*	72	Tom Weiskopf
43	Troon North Golf Club	Scottsdale	36	Desert	Semi-private	72	Weiskopf/Morrish
44	We-ko-pa Golf Club	Fountain Hills	18	Desert	Public	72	Scott Miller
45	Whisper Rock	Scottsdale	36	Desert	Private*	72	Mickleson/Stephenson/Fazio

**Source:** City of Scottsdale, Economic Vitality Department

\*Private golf courses are not shown on Map 2

# MAP 2 Market Area Golf Courses

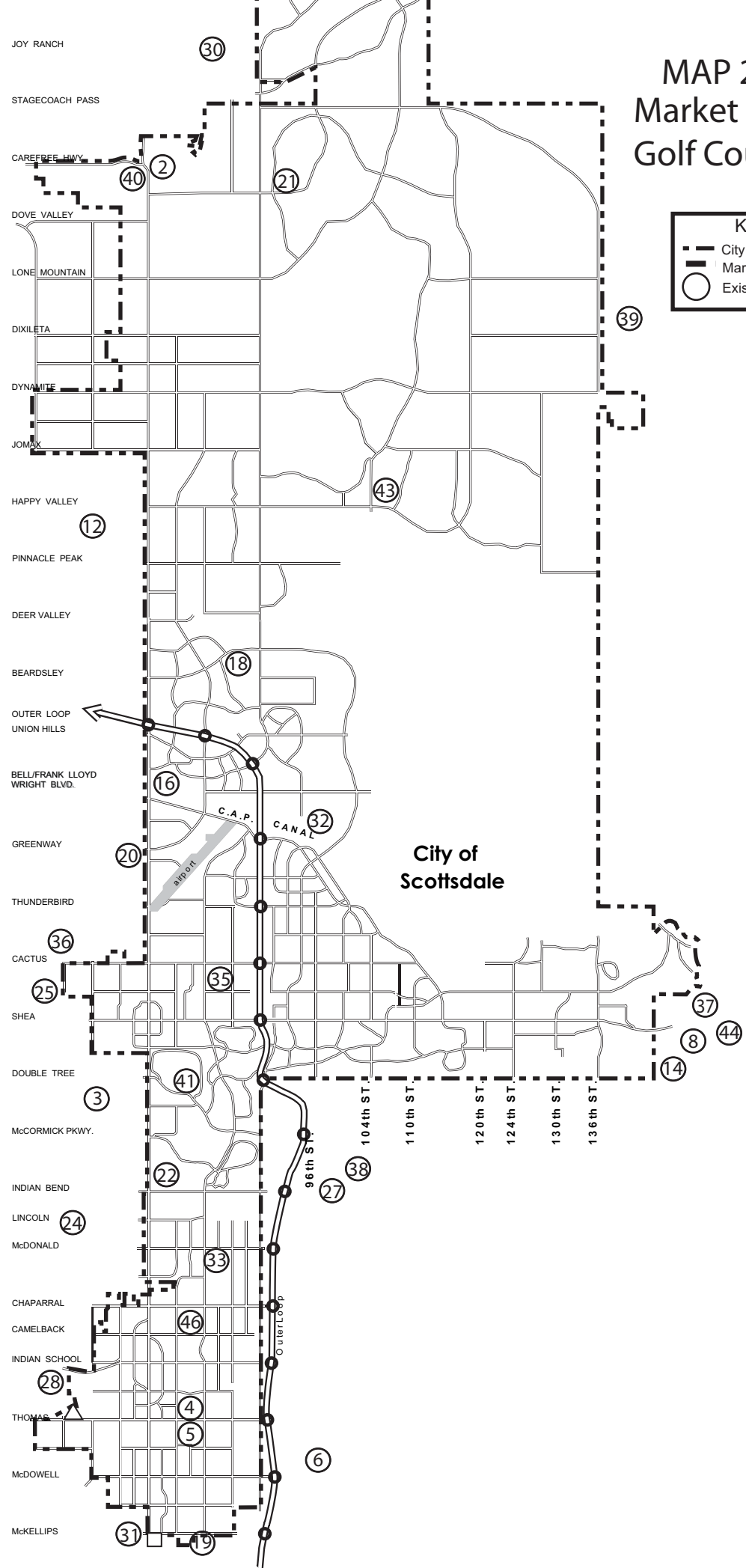
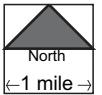


Table 11  
**Destination Spas**  
 Scottsdale/Paradise Valley Market Area

<b>Spa Name</b>	<b>Location</b>
Agave	The Westin Kierland Resort
Alvadora Spa	Royal Palms Resort
Amansala Spa	Scottsdale Conference Resort
Centre for Well-Being	The Phoenician Resort
Eurasia Spa	Scottsdale Resort & Athletic Club
Spa at the Four Seasons	Four Seasons Resort
Marriott's Revive Spa	Desert Ridge Marriott
Golden Door Spa	The Boulders
Spa Avania	Hyatt Regency Scottsdale
Spa at the James	James Hotel
SpaTerre	Caleo Resort
The Mist Spa	Radisson Resort
The Salon	Scottsdale Plaza Resort
The Sanctuary Spa	Sanctuary Resort on Camelback
The Spa	Camelback Inn
The Spa	Carefree Resort & Villas
The Spa	CopperWynd
The Spa	Gainey Village
The Spa	Marriott Camelback Inn
VH Spa	Valley Ho Hotel
Willow Stream	Fairmont Princess Resort

**Source:** Scottsdale Convention and Visitor's Bureau

## **Selected Special Events\***

### **January**

Arizona Sun Country Quarter Horse Show  
Barrett-Jackson Classic Car Auction  
FBR Open Golf Tournament  
Fiesta Bowl Artwalk  
P.F. Chang's Rock 'n' Roll Marathon & 1/2 Marathon  
Russo & Steele Car Auction  
Scottsdale's Ultimate Block Party (New Year's Eve)  
Tostitos Fiesta Bowl (Glendale)

### **February**

Parada del Sol Parade and Rodeo  
Scottsdale Arabian Horse Show  
Indian Artists of America Show

### **March**

Arizona Men's Tennis Classic  
San Francisco Giants Spring Training  
Scottsdale Arts Festival

### **April**

Scottsdale Culinary Festival

### **May—August**

Scottsdale Celebrity Chef Golf Invitational  
Summer Spectacular Art Walk

### **September—October**

Arizona Desert Classic—Appaloosa  
Scottsdale Classic Quarter Horse Show

### **November—December**

Artfest of Scottsdale

### **Ongoing Activities**

Native Trails—January through March, Tuesdays, Thursdays & Saturdays  
Scottsdale Art Walk—Year-round, Thursday nights  
Scottsdale Polo Club at WestWorld—November through April, Saturdays & Sundays

\*All events listed are held in Scottsdale unless otherwise noted.

For a comprehensive list of events, visit [www.scottsdalecvb.com](http://www.scottsdalecvb.com).